



Draft 4/11/08

**Commonwealth of Massachusetts  
Health Care Quality and Cost Council  
Two Boylston Street, 5<sup>th</sup> floor  
Boston, MA 02116**

**DEVAL L. PATRICK**  
Governor

**617-988-3360 • Fax 617-727-7662 • TTY 617-988-3175**  
**[www.mass.gov/healthcare](http://www.mass.gov/healthcare)**

**JUDYANN BIGBY, M.D.**  
Chair

**TIMOTHY P. MURRAY**  
Lieutenant Governor

**KATHARINE LONDON**  
Executive Director

**Health Care Quality & Cost Council  
Meeting Minutes**

Wednesday, March 19, 2008  
One Ashburton Place, 21<sup>st</sup> Floor  
Boston, MA

**Council Members Present:** JudyAnn Bigby (Chair), Charlie Baker, Kevin Beagan, Elizabeth Capstick, James Conway, Kenneth LaBresh, Joseph Lawler, Shannon Linde, Katharine London, Dolores Mitchell, Robert Seifert, Greg Sullivan and David Friedman. David Czekanski represented Dolores Mitchell for the first half-hour of the meeting.

*Meeting called to order at 1:06pm*

**I. Approval of Minutes of Council Meeting March 5, 2008**

Council approved minutes of its March 5, 2008 Meeting.

**II. Executive Director's Report**

Katharine London announced that the Annual Report is complete and ready to be formatted for print. The Council is now working to draft a cover letter to the legislature highlighting the Council's achievements and noting areas of alignment between the Council's recommendations and the Senate President's cost containment proposal. The Council is also working on a press release.

The Council is moving forward with its plans to post quality and cost measures. Katharine London reported the following progress:

- Initial interagency service agreement (ISA) with DHCFP is in place to compile measures into one reporting dataset for the web application.
- The Council received 2 responses to the Request for Quotes for the Clinical Consultant. After reviewing the proposals, Council staff felt that John Freedman was the qualified bidder who offered the best price. Council staff are working to have a contract with John Freedman in place this week.
- Responses to a Request for Quotes for an RFP consultant to help the Council revise the Analytic Consultant RFP, estimate the cost, and do a gap analysis across all the Council vendors are due on Friday 3/21/08.
- Gilles Charest is working with staff from the state IT division (which will physically host the Council's website), DHCFP, Medullan and the MHIC to specify, coordinate, and schedule all of the requirements of the website. The process for bringing all of this

work together is extraordinarily complex and detailed; however involved parties have been making great effort to ensure the project's success.

### **III. Items for Discussion**

#### **A. Update on Claims Data Submissions**

Suanne Singer, Maine Health Information Center (MHIC)

Suanne Singer reported that great progress has been made since the last update. Blue Cross of MA, HPHC, Tufts, and Fallon have all been approved for data submission. Blue Cross and Tufts submissions should be complete this week, so the MHIC should have sufficient data for analysis this week.

A number of carriers are now submitting data monthly. Secretary Bigby asked Suanne to report on the carriers reporting monthly at the next meeting.

Suanne Singer also said that the MHIC is making progress and moving forward with the compliance process with several small carriers. These carriers are communicating with the MHIC and most have submitted new files, but none has submitted files that meet the data submission requirements.

#### **B. Review and Approval of Principles for Selecting Cost Measures for Public Reporting (\*vote)**

The Council reviewed the principals for selecting cost measures for Public Reporting which incorporated comments from the Communications and Transparency Committee. The Council agreed to add an additional principle:

5. The Council should display:
  - cost and quality measures that are closely aligned on the same page;
  - cost measures that do not closely align with quality measures on separate pages; and
  - quality measures that do not closely align with cost measures on separate pages.

In situations where either cost or quality information is displayed alone, the measures will be accompanied by clear, concise text that cautions users not to infer quality from cost, or vice-versa.

The Council voted to approve the Principals for Selecting Cost Measures for Public Reporting and document as amended.

#### **C. Review and Approval of Proposal for initial set of measures to be posted on the Council's health care quality and cost information website by June, 2008 (\*vote)**

The Council reviewed a proposed list of quality measures available for reporting on the Council website. Katharine London said that the proposal incorporates comments from the Communications and Transparency Committee, but the Committee did not review the version

presented today. She also noted that MA Health Quality Partners (MHQP) has decided not to allow the Council to post MHQP's data at this time.

The Council agreed to add patient experience measures to the type of measures available from [www.hospitalcompare.hhh.gov](http://www.hospitalcompare.hhh.gov). The Council voted to approve the staff proposal, as amended, for the initial set of quality measures to be posted on the Council's website by June 2008.

The Council reviewed the proposed cost measures, as well as an initial list of the top inpatient and outpatient services (ranked by total spending) from the GIC. Dolores Mitchell and Charlie Baker had been designated by members of the Communication and Transparency Committee during its last meeting to compile the list. The Council discussed the list, with particular attention to the top ranking services in terms of total spending. The Council voted to approve the staff proposal for the initial set of cost measures to be posted on the Council's website by June 2008.

#### **D. Review and Approval of homepage design for the Council's health care quality and cost information website (\*vote)**

Staff from SolomonMcCown and its subcontractor Medullan presented an updated version of the Council's website design. The Council reviewed the updates and changes. The Council voted to approve the homepage design as presented.

#### **E. Review and Approval of wireframes, navigation and sitemap for the Council's health care quality and cost information website (\*vote)**

Staff from SolomonMcCown and its subcontractor Medullan presented the wireframes which shows the bare bones of each web page: the type of information presented, the links you can click on, and the basic layout of the page, but without colors, graphics, fonts, actual text or data. The Council reviewed and discussed the wireframes.

Joe Lawler said that he had previewed the wireframes with a group of small employers. He reported that this group was very impressed with the site, but wanted to be sure included information on where the data came from and how they will know the data is reliable. They also asked about the need for a HIPAA release, in the event that the employer assists an employee with using the site.

The Council voted to approve the wireframes, navigation and sitemap as presented.

Greg Sullivan asked SolomonMcCown to present at the next Council meeting its recommended plan for publicizing the website.

#### **F. Council Priorities**

JudyAnn Bigby suggested that the Council have a retreat to develop priorities for the longer term.

Katharine London reviewed the Council's statutory requirements, suggesting that it is important for the Council to designate time to prioritizing its duties and tasks. The Council has a very broad statute and meeting all of the statutory requirements will require considerable time and effort from both Councilors and staff.

Katharine made the following recommendations with respects to the Council's priorities.

*Immediate Project Priorities*

- a. Launch consumer quality and cost information website
- b. Issue Annual Report
- c. Develop and implement a plan to follow up on the Council's recommendations

Katharine London suggested that in order to move forward with these priorities, the Council should consider restructuring the focus of its committees. Katharine proposed that the Council change its committee structure to focus on the following:

*Committee structure:*

- Governance
- Communications & Transparency
- Cost Containment -Accountability or Monitoring
- Patient Safety could be included as an agenda item in each Accountability meeting, or could continue as a separate committee

The Council postponed discussion of this issue to the next meeting.

**G. Report from Ad Hoc Committee on Cost Containment**

JudyAnn Bigby reported on the Ad Hoc Committee meeting held February 29, 2008. DHCFP Commissioner Sarah Iselin discussed with the Committee a study RAND is conducting for DHCFP. RAND will conduct a preliminary assessment of all the cost containment strategies currently on the table in Massachusetts and nationally, including the strategies listed by the Council, the Senate President, MAHP, HCFA and others. RAND will also estimate the scale of potential impact for each proposal, as well as the likely timeline for implementing and realizing savings in Massachusetts.

In Phase 2, RAND would model the potential savings in MA for selected cost containment initiatives to develop a MA Blueprint for Cost Containment. The Council was invited to help select the initiatives to be investigated in Phase 2.

JudyAnn Bigby reported that the ad hoc committee on Cost Containment generally agreed that the RAND study would be useful to the Council. She suggested that the Council participate in selecting the initiatives to be investigated in Phase 2 of the study. The Council will need someone to compile the information from the RAND study and from our presenters to help the Council develop its cost containment recommendations. Judyann Bigby recommended that Council members review the components of the study and make any recommendations that would improve the usefulness of the project.

## **H. Council FY09 Budget**

**See attachments: Budget discussion document, FY09 budget revisited spreadsheet, and S2526 budget options spreadsheet**

Katharine said that she and Beth Capstick reviewed the FY09 budget approved by the Council last August, as well as the Council's budget included in the Governor's FY09 proposal. Given the Council's responsibilities and projects moving forward Katharine recommended reallocating some items in the budget. Katharine proposed adding additional staff to meet the Council's mandate. Katharine also noted that given the costs of building and maintaining the website the web developer is going to require more funding upfront in FY08, but will require less funding for enhancements and maintenance during FY09. The Analytic Consultant will require more funding than the Council originally anticipated to identify and specify quality and cost measures.

The FY09 Budget revisited spreadsheet includes:

- The Council's FY09 budget request, approved in August 2007 - \$2.37m
- The Governor's proposed budget for the Council (House 2) - \$1.89m
- Proposed FY09 Budget A – The Council's original \$2.37m budget request re-allocated to meet current needs
- Proposed FY09 Budget B – The Council's budget reallocated and cut back to meet the Governor's \$1.89 recommendation. Cuts are to Special Employees (individual consultants), Consultant Services (vendor contracts) to improve quality and contain costs, and Analytic and Operations services.

Greg Sullivan made a motion to amend Budget A, proposing to increase the Council' budget by \$950,000 for:

1. Mass Global Health Indicator, \$300,000;
2. Study of concentration of provider market power, \$150,000;
3. Study of concentration of insurance company market power, \$100,000;
4. Utilization study, \$300,000; and
5. Variation in rate study, \$100,000.

Beth Capstick seconded the motion. Beth pointed out that at this point in time, the Council has more information about its detailed budget needs than it had in August 2007. Since that time the Council adopted the goal 1 strategies, and more recently reviewed the Senate President's bill.

JudyAnn Bigby asked that Council members evaluate Greg's proposal especially given the many resources already available to the Council. There is a lot of work currently being done in the areas mentioned in Greg's proposal and the Council should not ask for funding to duplicate efforts.

Other Councilors made comments, including: the Council needs more back-up for the \$950,000 request before voting on it; there are still a lot of unidentified resources to be considered; the Council should further investigate other resources before proceeding with

requests; the Council should ensure it is not duplicating resources; the Council's first priority is to ensure it has sufficient staff to meet its obligations; hiring more consultants to complete more reports is insufficient - the Council needs a well-defined strategy to guide its investigations; the Council has aggressive, ambitious goals but it cannot accomplish all its goals at once; the Council should consider a longer timeline for accomplishing its goals; budget season is in progress now, and so now is the time to discuss funding needs; the Council should discuss with the Ways and Means Committees its funding needs to meet its current obligations and to meet potential new responsibilities; the Council's mission to look at health care costs in Massachusetts as a whole is unique in state government.

Greg Sullivan amended his motion and asked that the Council designate Beth Capstick to draft a letter that reflects the conversation the Council is having and the Council's concerns. The Council discussed this approach and asked for clarification of the motion. Charlie Baker summarized the motion: Beth Capstick should draft a letter requesting the \$2.3 budget that the Council had originally approved; the letter should reflect the Council's discussion that it would require extra funding in order to complete additional responsibilities, including the goal 1 strategies and the Senate President's proposals; and the Council should ask to meet with the Ways and Means Committees to discuss their interest in the Council pursuing these initiatives.

The Council voted (10 in favor, 2 opposed) to ask Beth Capstick to draft a letter to the Ways and Means Committees and to send the letter before the House budget goes to print the first week in April. JudyAnn Bigby and Kevin Beagan opposed the vote.

*Meeting Adjourned at 3:24pm*